## IN THE DRAWINGS

The attached sheets of drawings includes changes to Figs. 1 and 2. These sheets, which include Figs. 1 and 2, replace the original sheets including Figs. 1 and 2.

Attachment: Replacement Sheets

## REMARKS

Favorable reconsideration of this application as presently amended and in light of the following discussion is respectfully requested.

Claims 1, 6, 7, 9, 15, and 16 are currently pending. Claims 1, 6, 7, 9, 15, and 16 have been amended; and Claims 2-5, 8, 10-14 and 17-19 have been canceled without prejudice by the present amendment. The changes to the claims are supported by the originally filed specification and do not add new matter.

In the outstanding Office Action, Figures 1 and 2 were objected to as not containing a legend such as "prior art;" the drawings were objected to under 37 C.F.R. § 1.84(p)(5); the specification was objected to as containing an informality; Claims 7, 8, 16, and 17 were rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter; Claims 1-13 and 15-17 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,671,323 to <u>Tahara et al.</u> (hereinafter "the '323 patent"); and Claim 14 was rejected under 35 U.S.C. § 103(a) as being unpatentable over the '323 patent in view of U.S. Patent No. 5,877,812 to Krause et al. (hereinafter "the '812 patent").

Applicant respectfully submit that the objections to the drawings are rendered moot by the present amendment to the drawings and the specification. In particular, Applicant notes that Figures 1 and 2 have been amended to include the legend "Background Art". Further, the specification has been amended to include a description of bus 214 and to clarify that the output unit is element 217. Accordingly, the objections to the drawings are believed to have been overcome.

Applicant respectfully submits that the objection to the specification is rendered moot by the present amendment to the specification. The specification has been amended to correct the informality noted in the outstanding Office Action.

Applicant respectfully submits that the rejections of Claim 8 and 17 under 35 U.S.C. § 101 are rendered moot by the present cancelation of those claims. Further, Applicant respectfully submits that the rejections of Claims 7 and 16 under 35 U.S.C. § 101 are rendered moot by the present amendment to those claims. For example, Claim 7 has been amended to be directed to a computer readable medium storing a program which when executed by a computer causes the computer to perform specific steps. Accordingly, Applicant respectfully submits that Claim 7 and 16 are directed to a computer readable medium storing a program that is functionally related to the execution of the computer, as required by *In re Lowry*. Accordingly, Applicant respectfully submits that Claim 7 and 16 satisfy the requirements of 35 U.S.C. § 101.

Amended Claim 1 is directed to an encoding device, comprising:

generating means for generating a header to which reference is made as needed during decoding;

encoding means for encoding the header generated by the generating means and an input image signal, respectively; and

outputting means for multiplexing the header and the image signal encoded by the encoding means and outputting a bitstream,

wherein the generating means generates the header containing buffer characteristic information about buffering during decoding of the bitstream, and the buffer characteristic information contains all of a minimum bit rate  $R_{min}$ , a minimum buffer size  $B_{min}$ , and a minimum delay amount  $F_{min}$ , which are decodable during decoding of the bitstream.

Claim 1 has been amended to include limitations recited in Claim 4. Accordingly, no new matter has been added.

Applicant respectfully submits that the rejection of Claim 1 is rendered moot by the present amendment to Claim 1. However, since Claim 1 has been amended to incorporate limitations recited in Claim 4, Applicant will address the rejections set forth in the outstanding Office Action regarding Claim 4.

The '323 patent is directed to a encoding apparatus for encoding input video data including means for extracting ancillary data that are added in the blank intervals of the input video data from the input video data; means for encoding the input video data to generate encoded streams; and means for controlling the encoding means to insert the ancillary data into a picture layer of the encoded streams.

However, Applicant respectfully submits that the '323 patent fails to disclose that the buffer characteristic information contains all of a minimum bit rate R<sub>min</sub>, a minimum buffer size B<sub>min</sub>, and a minimum delay amount F<sub>min</sub>, which are decodable during decoding of the bitstream, as recited in amended Claim 1. In this regard, Applicant notes the Office Action refers to Figure 11 in the '323 patent as disclosing this limitation. However, Applicant respectfully submits that Figure 11, which discloses the syntax of sequence data, does not disclose both a minimum bit rate and a minimum buffer size, as required by amended Claim 1. Further, Figure 23 shows the syntax of a picture reader, but is silent regarding a minimum bit rate and a minimum buffer size, as required by Claim 1. Accordingly, for the reasons stated above, Applicant respectfully submit that amended Claim 1 patentably defines over the '323 patent.

Independent 6, 7, 9, 15, and 16 recite limitations analogous to the limitations recited in Claim 1, and have been amended in a manner analogous to Claim 1. Accordingly, for the reasons stated above, Applicant respectfully submits that the rejections of Claims 6, 7, 9, 15, and 16 are rendered moot by the present amendment to those claims.

Applicant respectfully submit that the rejection of Claim 14 is rendered moot by the present cancelation of that claim.

Thus, it is respectfully submitted that independent Claims 1, 6, 7, 9, 15, and 16 patentably define over any proper combination of the '323 and '812 patents.

Consequently, in view of the present amendment and in light of the above discussion, the outstanding grounds for rejection are believed have been overcome. The application as amended herewith is believed to be in condition for formal allowance. An early and favorable action to that effect is respectfully requested.

Respectfully submitted,

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